

PREPARED BY: Sandy Sostad
 DATE PREPARED: January 31, 2012
 PHONE: 471-0054

LB 1079

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$747,775		\$1,161,095	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$747,775		\$1,161,095	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 1079 creates a grant program to provide grants to community colleges to establish bridge programs. The State Department of Education (NDE) is to establish an application process for awarding grants for bridge programs. Priority is to be given to community college applicants that leverage additional funding through local, philanthropic, or federal funding sources.

The Department of Health and Human Services (HHS) is to cooperate with applicants and recipients of bridge grants to pursue federal funding under the Supplemental Nutrition Assistance Program Employment and Training Plan and the Temporary Assistance to Needy Families Program. Grant recipients are to report data to NDE regarding outcomes of participants. The grant program is to be funded from the Education Innovation Fund. No funding level for grant awards is specified in the bill.

Aid Expenditures: The bill will have a fiscal impact for NDE to provide aid for bridge programs. The fiscal note from NDE outlines the estimated funding needed to create one pilot bridge program in each of the six community colleges in the state in FY13 and two programs in FY14. The department estimates grants of \$114,825 to each community college in FY2012-13 for bridge programs at a total cost of \$688,950. The department proposes grant awards of \$184,650 to each community college in FY2013-14 for a total of \$1,107,900. The grant awards will fund 2.0 FTE at each community college for each program to coordinate and provide instruction for bridge programs.

Operations Expenditures: NDE indicates the need for a .5 Program Specialist to administer the grant program and work with community colleges to create the program. The estimated cost to administer the grant program is \$58,825 in FY2012-13 and \$53,195 in FY2013-14. HHS indicates the bill will have no fiscal impact for the department to help grant recipients pursue federal aid.

Education Innovation Fund: The amount of funding appropriated for bridge program grants and administration from the Education Innovation Fund is the responsibility of the Legislature to determine. It should be noted that the Education Innovation Fund is currently earmarked per statute for various education programs and initiatives through FY2015-16. Beginning in FY2016-17, current law removes the earmarking of lottery funds for the various programs and provides that the Legislature will determine the use of the fund for education purposes.

A cash flow analysis of the fund shows a projected balance of \$4.9 million in the fund on June 30, 2016. However, it should be emphasized that funding for currently earmarked programs may be insufficient if: lottery receipts do not increase as projected; incentives provided for distance education courses exchanged in the state increase more than projected; or, additional programs such as the grants required by LB 1079 are authorized from the fund. The estimated FY16 ending cash fund balance would be reduced to \$431,000, assuming the bill is passed with the funding levels proposed by NDE.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Matthew Eash	DATE	2/2/12	PHONE	471-2526
COMMENTS					
<p>COMMUNITY COLLEGES: The fiscal impact depends on whether community colleges could adopt existing curricula at little or no cost or whether entirely new courses would need to be developed to accomplish a bridge program. Regardless of curriculum development, the bill will likely require community colleges to adopt their student record systems, as well as monitor job placement and success of participating students, which would require additional administrative costs.</p> <p>DEPARTMENT OF HEALTH AND HUMAN SERVICES: Concur. No fiscal impact.</p>					

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LEGISLATIVE FISCAL

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LB⁽¹⁾ 1079 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Community College Association

Prepared by: ⁽³⁾ Dennis Baack Date Prepared: ⁽⁴⁾ January 23, 2012 Phone: ⁽⁵⁾ 402-471-4685

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate: Since these would be grants, it is not possible to determine how much local matching would be involved in funding a grant.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013	2013-2014
	12-13	13-14	EXPENDITURES	EXPENDITURES
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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FISCAL NOTE

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens

Date Prepared:(4) 1-26-12

Phone: (5) 471-8072

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$0	\$0	\$0	\$0

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

There is no fiscal impact to the Department of Health and Human Services.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2012-2013 EXPENDITURES	2013-2014 EXPENDITURES
		12-13	13-14		
Benefits.....					
Operating.....					
Travel.....					
Capital Outlay.....					
Aid.....					
Capital Improvements.....					
TOTAL.....				\$0	\$0

Please complete ALL (5) blanks in the first three lines.

2012

LB⁽¹⁾ 1079 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Education

Prepared by: ⁽³⁾ Vicki Bauer Date Prepared: ⁽⁴⁾ 2/3/2012(revised) Phone: ⁽⁵⁾ 402-471-4807

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LEGISLATIVE FISCAL

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2012-2013</u>		<u>FY 2013-2014</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	<u>747,325</u>	_____	<u>1,161,095</u>	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.
 Explanation of Estimate:

MAJOR OBJECTS OF EXPENDITURE

<u>Personal Services:</u>	<u>NUMBER OF POSITIONS</u>		<u>2012-2013</u>	<u>2013-2014</u>
	<u>12-13</u>	<u>13-14</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
<u>POSITION TITLE</u>				
Program Specialist II – PG 46	<u>.5FTE</u>	<u>.5FTE</u>	<u>23,959</u>	<u>24,438</u>
Benefits.....			<u>12,974</u>	<u>13,977</u>
Operating.....			<u>9,745</u>	<u>9,975</u>
Travel.....			<u>7,922</u>	<u>4,655</u>
Capital outlay.....			<u>4,225</u>	<u>150</u>
Aid.....			<u>688,950</u>	<u>1,107,900</u>
Capital improvements.....				
TOTAL.....			<u>747,775</u>	<u>1,161,095</u>